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TO RUEHC/SECSTATE WASHDC 7320
INFO RUEAWJB/DEPT OF JUSTICE WASHDC
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RUEHLMC/MILLENNIUM CHALLENGE CORP WASHINGTON DC
RUCPDOG/DEPT OF COMMERCE WASHDC
RUEHKO/AMEMBASSY TOKYO 1282
RUEHBJ/AMEMBASSY BEIJING 4566
RUEHBY/AMEMBASSY CANBERRA 1724
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SIPDIS

STATE FOR EAP/MTS, EEB/IFD/OIA, INL BOULDIN
L/LEI FOR BUCHHOLZ
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SUBJECT: INDONESIAN PARLIAMENT SELECTS CONTROVERSIAL ANTI-CORRUPTION
COMMISSIONERS

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¶1. (SBU) SUMMARY: Parliament selected five new commissioners for the Corruption Eradication Commission (KPK) for the 2007-2011 term. Civil society leaders have expressed disappointment with the choices, but remain cautiously optimistic that two or three commissioners will be able to quietly lead KPK anti-corruption reform. Parliament exerted its influence in this intensely political process that yielded what many see as weak commissioners, including a new Chairman who has been a subject of corruption allegations. The Indonesian government lost an opportunity to appoint the strongest group of Commissioners possible. The five appointed commissioners, however, still have the potential to slowly move the anti-corruption reform agenda forward. End Summary.

DPR Commission III Picks Mixed Group of Commissioners

¶2. (SBU) On December 5, Commission III - the law and human rights committee in Parliament (DPR) - selected the five new KPK commissioners from a list of ten candidates submitted by an independent selection committee. After public hearings with each commissioner candidate, Commission III chose:

-- Antasari Azhar (Chairman)
-- Chandra Hamzah
-- Bibit Samad Rianto
-- Haryono
-- Moch. Yasin

The five commissioners represent distinct sections of the larger anti-corruption institutional network. Azhar is currently Director of Prosecution in the Deputy Attorney General's Office (AGO) for General Crimes. Hamzah is a private sector lawyer and was a co-founder of the Center for Law and Policy Studies, a leading legal

reform think tank. He was also a member of the former Inter-agency Corruption Team (ICET). Rianto is now a university administrator, but is a former head of police in East Kalimantan. Haryono is currently serving in the Indonesian state audit authority (BPKP), but is a largely unknown entity in terms of anti-corruption reform. Yasin now serves as the KPK's Director of Research and Development. Yasin is more cerebral, less action-oriented and considered to be a weak choice for this leadership role.

13. (SBU) Commission III conducted two rounds of voting. MPs selected the five commissioners in round one. MPs chose the Chairman during the second round, voting between the top two round one vote-getters. In round one, Hamzah received the most votes - 44 of a possible 49 votes, compared to Azhar's 37. Rianto and Haryono received 30 votes and Yasin received 28, narrowly beating the other AGO candidate Marwan Effendy. In the second round, Azhar won the chairmanship by a landslide, 41-8.

Institutional Re-Balancing in Anti-Corruption Reform

14. (SBU) Three KPK officials were on the original list of ten, yet only one current KPK leader, Yasin, made the final cut. Amien Sunaryadi, the only current KPK commissioner seeking reappointment and highly regarded as a leading anti-corruption advocate, received just 16 votes. During the public hearings, Commission III members accused Sunaryadi of being an "agent of the U.S." Yasin is regarded as the weakest of the three KPK candidates, according to our sources. Waluyo, the other KPK candidate and current Deputy for graft investigations, came in a distant seventh place (19 votes). Commission III's rejection of Sunaryadi and narrow selection of Yasin signal an implicit rejection of the KPK's current agenda. The difference of one vote would have completely shut out current KPK leadership from the new commissioner leadership.

15. (U) Current AGO official Azhar as chairman and former provincial police head Rianto as a commissioner create a representative set of

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KPK leaders. Current Chairman Taufiequrachman Ruki is a former city police chief and current Commissioner Tumpak Hatorangan is a former AGO official. However, one role of the KPK is the oversight of all government institutions involved in anti-corruption, including the AGO and police. The increasing prominence of the KPK has threatened the AGO and police, according to our sources. The DPR's commissioner selections have reduced the independence and threatened the oversight function of the KPK.

Civil Society Expresses Deep Concern

16. (SBU) Civil society leaders and media voiced criticism for Commission III's selection. The Coalition for Court Monitoring submitted to Commission III the names of three candidates - Azhar, Rianto, and Effendy - who they felt would not be suitable candidates due to their previous roles in the AGO and police as well as corruption allegations. Commission III hijacked the KPK, according to Denny Indrayana, a leading legal reform activist and constitutional law professor. However, Indrayana also said that this selection of commissioners is a bad scenario, but not a nightmare. Our contacts in the legal reform community are placing their hopes in working with Hamzah and Yasin and reaching out to Haryono. While the KPK is weakened, these two or three commissioners could provide a counterweight to actions by Azhar and Rianto, according to Bibip Susanti, a legal reform activist and scholar.

"The Real Boss of the KPK is Commission III"

17. (SBU) Commission III Deputy Chairman Aziz Syamsuddin (Golkar) and member Murdaya Poo (PDI-P) made little attempt to defend their selections during a meeting with the DCM. "It's better to pick someone who is a little corrupt, but wants to protect the nation," Aziz said. Aziz cited loyalty as the top criteria, also including intellect, teamwork, and integrity. Antasari Azhar demonstrated

loyalty to the DPR members when he said that as KPK commissioner he would not allow a KPK investigation into BI funds being transferred to DPR members.

18. (SBU) Poo (PDI-P) told us, "The real boss of the KPK is Commission III." Commission III's role in anti-corruption reform cannot be overlooked. Commission III will consider critical legislation regarding anti-corruption reform, particularly the new Anti-Corruption Court Law and, most likely, a new law being drafted on the KPK. Commission III's selection of the new KPK commissioners indicates a weakening of the KPK at best, the first step in a possible elimination of the KPK at worst.

HUME